



STATE OF WASHINGTON
HEALTH CARE AUTHORITY

676 Woodland Square Loop SE • P.O. Box 42710 • Olympia, Washington 98504-2710

September 16, 2011

Superintendent
School District
Street Address
City, WA ZIP

Dear Superintendent:

SUBJECT: Public Disclosure Request—K12 Public School Employees Benefits System

This is a request for public disclosure under RCW 42.56. The Health Care Authority (HCA) was directed through Chapter 50, 2011 Laws 1st Special Session PV to present a proposed consolidated public school employees' benefits program for their consideration by December 15, 2011. The proposed program is to incorporate existing features of the Public Employees Benefits Board program (PEBB) in conjunction with newly designed features tailored to the Washington K-12 public school system to develop a design that affords administrative streamlining and program consistency through a unified purchasing strategy.

The HCA proposed consolidated program will serve as one source of information available to the Legislature to enable an informed discussion of ways to achieve improvements in equitable access to covered health services for employees; transparency of health benefits costs to employees, local school districts, and the state; and reduced duplication and increased cost-efficiency in administration through process simplification and increased purchasing power. To support the informed discussion, the HCA has also been directed to evaluate the potential pros and cons of the proposed consolidated program in comparison to the current K-12 employee health benefits system.

To conduct an objective and accurate comparison, it is essential that the HCA collects data from the individual school districts in sufficient quantity to provide a comprehensive picture of the full K-12 system. We are asking for your support in this data collection effort. All data from your school district and your contracted benefits carriers will be transferred directly to the independent actuarial firm assisting us with this project, Milliman, Inc.

Elements of the Public Disclosure Request

The public disclosure request consists of two components. The information is requested separately for the 2009-2010 school year and the 2010-2011 school year.

1. HCA, through Milliman, is requesting *directly from your school district* two data deliverables to support the K-12 analysis. The first is aggregate school district data contained in Exhibit A.

The second is member level information contained in Exhibit B (can be pulled at a snapshot point in time for each school year, such as March 2010 and March 2011).

2. A separate Public Information Request is being sent to Premiera Blue Cross, Regence BlueShield, Group Health Cooperative, and Kaiser Permanente as the major contracted benefits carriers for K-12 school districts. This data request is described in Exhibit C and contains no information that would allow for the identification of any individual employee in the data, such as Social Security number or other personal information, and no HIPAA protected health information (PHI).¹ We request that you confirm with your contracted benefits carriers your desire that they comply with the public disclosure request, if contacted by them.

If you have a contracted benefits carrier or third party administrator other than the four listed above, we would appreciate receiving the name of the entity so that we can collect representative data for all school district benefit plans.

Intended Use of Data

Each data element requested serves an important purpose in the analysis being performed by the Health Care Authority. The aggregate school district data will be used to understand the range of benefit plans offered and the costs associated with that coverage. The carrier data will provide the detailed benefit plan information and data necessary for prospective cost evaluations. The member level information will be critical to understanding the implications of alternative eligibility criteria and employee contribution formulae.

Data Submission

To facilitate timely receipt and proper handling of the requested data in Exhibit A and Exhibit B, please direct your response in electronic format to:

Mark Southworth
Milliman, Inc.
1301 Fifth Avenue, Suite 3800
Seattle, WA 98101
Email: mark.southworth@milliman.com

¹ To the extent HIPAA applies to the records requested in Exhibit C, and the records contain protected health information, disclosure is authorized without written authorization by 45 C.F.R. §164.512(d)(1)(i) as a disclosure to a health oversight agency for health oversight activities as defined in 45 C.F.R. §164.501.

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An Excel spreadsheet will be provided to you by email to accompany this request for the information delineated in Exhibit A. The Exhibit B information can also be provided using the Excel spreadsheet or as a separate text file. Any questions regarding the format or transfer of the data can be directed to Mark Southworth.

Milliman

Milliman is an international firm of actuaries and consultants that has extensive experience working with confidential data. In particular, Milliman already has agreements in place with most health insurers that cover K-12 employees that govern the transfer and treatment of data. The firm has performed significant projects for the Health Care Authority for many years. If you have specific questions about the requested data elements, please feel free to contact Tim Barclay, Milliman, Inc., at (206) 504-5603.

Thank you for your assistance in supporting this important project. If you have questions regarding this Public Disclosure Request, please contact Jason Siems, HCA Legal Services Division, at (360) 923-2720.

Sincerely,

Richard K. Onizuka, PhD
Assistant Director, Health Policy

Enclosures

Exhibit A
Aggregate Data from School Districts

Following is the aggregate data desired from each District, for both the 2009-2010 and the 2010-2011 school years. We would like to obtain this data in an Excel file (forms to be provided).

1. A list of health plans offered by the district, including medical, pharmacy (if separate), vision and dental
2. Group policy number associated with each health plan
3. Total expenditure information
 - a. Total premiums paid (health benefits)
 - b. Total premiums paid by the district (health benefits)
 - c. Total premiums paid by the employees (health benefits)
 - d. Total premiums paid by the district for non-health benefits (life, LTD, etc)
 - e. Total premiums paid by the employees for non-health benefits (life, LTD, etc)
 - f. Total district costs to administer the benefits program (do not include administrative costs already included in the premium payments.
4. By unit of employee (may be a bargaining unit or other uniform group of employees such as certified instructional staff, etc.)
 - a. Unit name or description
 - b. Number of active employees
 - c. Number of employees eligible for each health plan coverage
 - d. Number of employees enrolled in each health plan coverage
 - e. Plan eligibility requirements
 - i. Method of measuring qualification criteria (FTE percentage, days per week, hours per day, other)
 - ii. Specific minimum requirement for benefit eligibility (percentage or number)
 - iii. Specific minimum requirement for full benefit eligibility (percentage or number)
 - iv. Required annual hours for 1.0 FTE benefit status
 - f. Months per year that premiums are paid for full time employees
 - g. Indication whether medical benefits are fully insured or self funded.

Exhibit B
Member Level Data from School Districts

Following is the data desired from each District, for both the 2009-2010 and the 2010-2011 school years. We would like to obtain this data in either an Excel file (forms to be provided) or a comma-delimited file, with one employee per row, together with a description of any codes used in a field (such as codes to indicate staff classification). Do not include retirees. The data can be a single month snapshot for each school year, ideally March 2010 and March 2011.

1. Demographic data (all employees)

Age (can be reported as date of birth, age as of 9/1/11, or as the age group as of 9/1/11 – age groups include: to age 25, 25-29, 30-34, 35-39, 40-44, 45-49, 50-54, 55-59, 60-64, 65+)

Gender

Marital (or domestic partner) status

2. Employment data (all employees)

Percent of full time status for year (for benefit eligibility, e.g. 0.85 FTE)

Number of hours worked in the year or aggregate FTE status

Staff classification or type code (certified instructional staff, administrative staff, classified staff, management, etc.)

Bargaining unit name

Bargaining unit unique identification code (if available)

3. Health plan data (only for covered employees)

For each covered benefit and/or benefit deduction (medical, dental, vision, LTD, life, separate pharmacy, other)

- Coverage Code
- Coverage Type
- Name of the insurance company
- Unique group code of insurance plan
- Employee's insurance coverage tier (individual, family, etc.)
- Monthly premium deduction paid by the employee
- Aggregate monthly premium paid to the carrier (employer plus employee)

Exhibit C
Summary Data from Insurance Carriers

Following is the data desired from the medical insurance carriers each District, for both the 2009-2010 and the 2010-2011 school years. HCA will go directly to the carriers to collect this information.

- A summary of the benefit packages offered to each group of school district employees, including covered benefits, point of service cost sharing, member count and the group policy number
- Aggregated subscriber demographic information (age band and gender) by insurance tier
- An aggregated predictive modeling risk score for each cohort to enhance prospective cost estimates relative to the PEB population.

** It is important to note that no member level protected health information (PHI) is being requested of the insurance carriers.